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- I. **Purpose.** This document covers policies and procedures pertaining to sole source procurements of IT goods and services. All executive branch agencies and non-exempt institutions of higher education are subject to these policies and procedures, except those agencies and institutions explicitly exempted by the *Code of Virginia*.

II. **Definitions.**

*Sole source procurements* are those in which the cost of the procurement exceeds \$5,000, there is only one solution to meet an agency's needs, and only one supplier can provide the IT goods and/or services required for the solution. Competition is not available for sole source procurements. Procurements less than \$5,000 are considered small purchases; therefore, sole source policies and procedures are not applicable.

*Proprietary procurements* are those in which there is only one solution to meet an agency's needs; however, multiple suppliers may provide the IT goods and/or services required for the solution. Competition may be available for proprietary procurements; therefore, the sole source process does not apply for these procurements.

### Policies- What you need to do

- III. **General Information.** If only one source is practicably available for procurement of IT goods or services, a contract may be negotiated and awarded without competitive negotiation or competitive sealed bidding.
- IV. **Authority for Sole Source Procurements.** Until July 1, 2007, unless otherwise instructed, executive branch agencies and non-exempt institutions have delegated authority for sole source procurements of non-infrastructure goods and services up to \$50,000. All other sole source procurements for

executive branch agencies and non-exempt institutions are not delegated and should be handled by VITA's Supply Chain Management (SCM). Because sole source procurements are not competitive, approval is granted on an exception-only basis.

- V. **Negotiating a Contract.** For any sole source procurement, the agency (VITA or the delegated agency) shall negotiate the optimal price and contract terms with the supplier.
- VI. **Notice of Award.** The agency or institution must post a written notice of award specifying what is being procured, the contractor selected, the date the contract was or will be awarded, and a statement that only one source was determined to be practicably available. This notice shall be posted in a designated public area or published in a newspaper of general circulation on the day the public body awards or announces its decision to award the contract, whichever occurs first. All sole source procurements will also be posted on the eVA website.

#### **Procedure- How you implement the policies**

- VII. **Sole Source Procurement Requests.** An agency or institution must utilize the following approval process to request a sole source procurement:
  - 1. Forward a completed Sole Source Procurement Approval Request form to VITA's Supply Chain Management (SCM) at [scminfo@vita.virginia.gov](mailto:scminfo@vita.virginia.gov). This form is located on the web at: <http://www.vita.virginia.gov/procurement/policies.cfm>
  - 2. After approval is obtained (see *Annex* for Approval Guidelines), the agency or institution shall negotiate the contract and proceed with the purchase utilizing eVA.

#### **Authority Reference(s)**

§2.2-4303(E) of the *Code of Virginia*; Identifies the characteristics of a sole source procurement situation and the public notice requirements for sole source procurements.

## Annex- Approval Guidelines

The table below provides approval requirements and routing guidelines for the Sole Source Procurement Approval Request Form:

	<b>Infrastructure Goods/Services</b>	<b>Non-Infrastructure Goods/Services</b>
<b>Delegated Procurements</b>	All infrastructure goods/services are non-delegated	Amount: up to \$50,000  Approval: Agency head or designee; SCM approval is not required  Attach to eVA requisition.
<b>Non-Delegated Procurements</b>	Amount: Any  Approval: Local Area Coordinator/Regional Service Director  Route to SCM	Amount: over \$50,000  Approval: Agency head or designee  Route to SCM